

Preserving & Reforming the State's Public Housing System

While significant gains have been made to improve and preserve state-aided public housing under the leadership of the Patrick-Murray Administration, the fiscal and operational viability of the housing and the integrity of the public housing system still face significant difficulties. Most recently, the Administration has taken swift and aggressive action by implementing administrative reforms and launching a study commission to recommend strategies to bring about stronger governance, more effective operations, greater efficiencies in public expenditures and increased accountability and transparency.

However, further action is needed to increase transparency, accountability, performance, efficiency, innovation and cost savings in the state's public housing system which serves over 80,000 households in the Commonwealth. Using some of the principles and work of the Governor's study commission and further work of DHCD, the Governor filed legislation on January 10, 2013 that will professionalize and modernize the operations and financial management of the Commonwealth's housing authorities by consolidating the 240 LHAs into 6 Regional Housing Authorities (RHA).

The RHAs will take over ownership of all public housing assets (land, buildings, equipment) and assume responsibility for fiscal and operational management of all state and federal public housing in the particular region. The six RHAs will each consist of one executive director, a governing board appointed by the Governor, regional management staff and local site managers. Daily operations affecting tenants will continue to be addressed by local staff in order to be highly responsive to the tenants and their needs, while more complex property management responsibilities will benefit from centralized expertise and experienced oversight. Local site staff will be among the most important in the system and will provide the all-important "local touch" that is essential to successful property management.

The legislation allows communities to retain control over land use and significant redevelopment decisions including change of use, ownership or the financing structure of an existing building or vacant land. RHAs will also be required to seek local input into an annual plan that outlines projected capital and operating expenditures and tenant participation activities.

This consolidated system will produce efficiency and save the state millions of dollars by regionalizing key operation's functions, including:

1. Consolidating general administration functions including accounts payable, procurement and human resource management.
2. Regionalizing capital project management practices, including regional collaborations to purchase expertise, materials, equipment and services to maintain units.
3. Utility savings through combined rate negotiation and bulk purchasing and improved energy conservation through central expertise and best practice.
5. Enhanced technical assistance to maintenance staff to increase the quality and efficiency of their work.

As the Administration continues to invest in public housing, it is imperative that the delivery system be modernized in order to increase efficiency and transparency of local housing authorities and to ensure that we are meeting the goal of high-quality housing for low-income households.

